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Last update - 11:25 07/05/2009

Kibbutzniks block Gaza crossing to prevent transfer of cash

By Jack Khoury and Barak Ravid, Haaretz Correspondents

Kibbutz Movement activists on Thursday blocked the entrance to the Erez border crossing to prevent the transfer of cash to the Gaza Strip.

Prime Minister Benjamin Netanyahu on Wednesday instructed defense officials to transfer NIS 50 million to banks in the Hamasruled territory to help pay Palestinian Authority salaries.

Yoel Marshak, of the Kibbutz Movement's operations department, said Thursday that the activists would block the entry paths with bulldozers and prevent the transfer.

"We demand equal conditions for the abducted soldier Gilad Shalit," he said, referring to the Israeli soldier who was kidnapped by Gaza militants in a 2006 cross-border raid.

Negotiations to secure his release broke down during the last days of former prime minister Ehud Olmert's tenure.

Netanyahu approved the transfer after meeting on Wednesday with Quartet envoy Tony Blair, despite having waged criticism against Olmert for similar actions.

Blair relayed to Netanyahu the frustration expressed by Palestinian Prime Minister Salam Fayyad, who complained that Israel is preventing funds from being transferred to the Strip.

Defense officials told Netanyahu that NIS 50 million would cover PA salaries and would be enough to save the Gaza banking system from collapse. The sum is less than what was originally requested by the Palestinian Authority.

Netanyahu aides said the funds to be transferred are not Israeli funds, but rather the Palestinian Authority's money that will go toward paying the salaries of its employees. "We are talking about a minimal amount that is intended to maintain Gaza's economy," said one source.

Some right-wing groups in Israel have opposed similar cash transfers, asserting that Gaza's Hamas Islamist rulers could benefit.

Palestinian officials in the West Bank have said that assertion is unfounded, citing the use of safeguards such as direct deposit to prevent the money from going into unauthorized accounts.

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